

Analysis

Topic:	Diploma Mills
Sponsor:	Senator George
Co-Sponsors:	Senators Kuipers, Basham, Jelinek, Hardiman, Garcia, Goschka, Birkholz, Van Woerkom, Allen, Cherry, Jacobs, Brater, and Toy
Committee:	Senate Education Committee House Higher Education and Career Preparation
Date Introduced:	February 1, 2005
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Date of Analysis:	June 13, 2005
Position:	Support

Problem/Background: “Diploma mill” is defined by *Webster’s Third New International Dictionary* as “an institution of higher education operating without supervision of a state or professional agency and granting diplomas which are either fraudulent or because of the lack of proper standards worthless.” There are two types of diploma mills. The first type makes degrees available online. These entities often adopt the name similar to a familiar and esteemed institution of higher education (e.g. Columbia University, University of California—Berkley). Credit may be given for life experience and many of these entities may not offer any real courses. Degrees can often be obtained in two weeks. According to the testimony of a former employee of a diploma mill before a Congressional committee, “Columbia State University had no faculty, qualified or otherwise, no curriculum, no classes, no courses, no tests, no one to grade tests, no educational facilities, no library, and no academic accreditation”. The second type of diploma mill offers counterfeit copies of degrees from real colleges and universities. Transcripts are typically available, too. For instance, mention is made in the literature to Back Alley Press, which is based in China. This printing company describes their diplomas and transcripts as “novelty” items.

Diploma mills are not a new phenomenon. They have existed in the United States at least since the Civil War. In the 1975 film *Hearts of the West* Jeff Bridges stars as a writer of dime novels who goes west to attend a college that turns out to be a diploma mill. The first Congressional hearings on diploma mills were held in March 1924. Additional hearings were held by Congressman Claude Pepper in 1985 and by Senator Susan Collins and Congressman Buck McKeon in 2004. The United States Government Accountability Office found in 2004 that “diploma mills are easily created and some have issued bogus degrees to federal employees at federal expense”.

Diploma mills have thrived in recent years for several reasons. First, non-traditional means of obtaining higher education, including on-line courses, have been extensively discussed in the press and are becoming more accepted. Second, new technology includes copiers and printers that can make fakes that are very difficult to distinguish from the real thing. Third, while there was an effective FBI enforcement program called “DipScam” for many years, the retirement of the agent in charge of that effort has resulted in reduced enforcement. Fourth, there is significant demand for fake degrees.

Description of Bill: The bill creates the Authentic Credentials in Education Act. The bill prohibits the issue or manufacture of a false academic credential and the use of such a credential to obtain employment, promotion, admission to a qualified institution, or in connection with any loan, business, trade, profession, or occupation. “False academic credential” is defined in the bill as one not issued or manufactured by a qualified institution. “Qualified institution” is defined as an institution of higher education as defined in the *United States Code* or any other institution of higher education authorized to do business in the state. A person damaged by a violation is permitted by the bill to bring a civil action to recover costs, reasonable attorney fees, and the greater of either the person’s actual damages or \$100,000.

Summary of Arguments

Pro: Diploma mills are an outrageous scam on the public and more should be done to stop their proliferation. The bill deals with two aspects of the problem. It prohibits the issuing or manufacture of fake degrees and it prohibits individuals from using them. This will go a long way toward deterring diploma mills and discouraging individuals from using the fake academic credentials coming from these entities.

Obtaining bogus degrees on the basis of life experience without attending classes or taking exams is an affront to the tens of thousands that graduate from legitimate colleges and universities in Michigan every year.

By enacting this law Michigan can join other states with stronger laws. These other states include Indiana, New Jersey, Nevada, North Dakota, and Oregon.

Con: Although a few of diploma mills may be based in Michigan, the vast majority are based in other states or countries. The only effective solution to the problem is federal action. The FBI’s “DipScam” program was extremely effective, and a similar enforcement program at the federal level provides the only real hope for stemming the tide of false academic credentials.

